

EXHIBIT Q

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

CLRB HANSON INDUSTRIES, LLC,)
etc., et al.,)
)
Plaintiffs,)
)
v.) Case No.
) 05-03639 JW
GOOGLE, INC.,)
)
)
Defendant.)
)

30 (b) (6) DEPOSITION OF BRETT R. HANSON

August 18, 2006

228010



(310) 207.8000	Los Angeles	(916) 922.5777	Sacramento	(818) 702.0202	San Fernando Valley
(949) 955.0400	Orange County	(408) 885.0550	San Jose	(858) 455.5444	San Diego
(415) 433.5777	San Francisco	(951) 686.0606	Inland Empire	(760) 322.2240	Palm Springs

1
2 UNITED STATES DISTRICT COURT
3 NORTHERN DISTRICT OF CALIFORNIA
4 SAN JOSE DIVISION

-----x
5 CLR B HANSON INDUSTRIES, LLC d/b/a
6 INDUSTRIAL PRINTING, and HOWARD
7 STERN, on behalf of themselves and
8 all others similarly situated,

9 Plaintiffs,

10 Case No.
11 v. 05-03639 JW

12 GOOGLE, INC.,

13 Confidential
14 Portions Bound
15 Separately

Defendant.

-----x

16 August 18, 2006

17 9:45 a.m.

18

19 30(b)(6) VIDEOTAPED DEPOSITION
20 of CLR B HANSON INDUSTRIES d/b/a
21 INDUSTRIAL PRINTING by BRETT R. HANSON,
22 taken by Defendant, pursuant to notice,
23 held at the offices of Thacher Proffitt
24 & Wood, 2 World Financial Center, New
25 York, New York, before Amy E. Sikora,
CRR, CSR, RPR, Certified Realtime
Reporter, Certified Shorthand Reporter,
Registered Professional Reporter, and
Notary Public within and for the State
of New York.

1

2 A P P E A R A N C E S:

3 WOLF POPPER LLP

4 Attorneys for Plaintiffs and the Proposed Class

5 845 Third Avenue

6 New York, New York 10022

7 BY: LESTER L. LEVY, ESQ.

8 MICHELE F. RAPHAEL, ESQ.

9 PERKINS COIE LLP

10 Attorneys for Defendant

11 180 Townsend Street

12 San Francisco, CA 94107-1909

13 BY: DAVID T. BIDERMAN, ESQ.

14 M. CHRISTOPHER JHANG, ESQ.

15

16

17 ALSO PRESENT:

18 THOMAS DELVECCHIO, Videographer

19

20

21

22

23

24

25

1 B. Hanson

09:51 2 55428. And 4401 Quebec Avenue North, New
09:51 3 Hope, Minnesota 55428.

09:52 4 Q. And you understand that you're
09:52 5 here to testify as a representative of an
09:52 6 entity which is described as CLRB Hanson
09:52 7 Industries LLC d/b/a Industrial Printing?

09:52 8 A. Yes.

09:52 9 Q. And what is your relationship to
09:52 10 that entity?

09:52 11 A. I'm 100 percent owner, single
09:52 12 member.

09:52 13 Q. Okay. And is that entity a sole
09:52 14 proprietorship or some other type of entity?

09:52 15 A. It's a limited liability
09:52 16 corporation treated as disregarded entity as
09:52 17 a single member for tax consideration.

09:52 18 Q. And how long has that entity
09:52 19 been in existence?

09:52 20 A. September of 1992, I believe.
09:52 21 Excuse me, September of 2002, I believe.

09:53 22 Q. And there was an entity --

09:53 23 MR. BIDERMAN: Withdraw that.

09:53 24 Q. You, sir, also did business with
09:53 25 Google prior to September 2002; is that

1 B. Hanson

09:53 2 right?

09:53 3 A. Yes, sir.

09:53 4 Q. And through what entities did
09:53 5 you do business with Google prior to
09:53 6 September 2002?

09:53 7 A. Industrial Printing.

09:53 8 Q. And what is Industrial Printing?

09:53 9 A. Industrial Printing is a
09:53 10 business that does -- it's CLRB, actually.

09:53 11 It was a d/b -- a sole proprietorship that
09:53 12 was sold to CLRB.

09:53 13 Q. Okay. Just so I understand, the
09:53 14 entity that existed prior to September 2002
09:53 15 was known as what?

09:53 16 A. Industrial Printing.

09:53 17 Q. Okay. And what was the form of
09:53 18 that entity?

09:54 19 A. Industrial Printing was a sole
09:54 20 proprietorship.

09:54 21 Q. And who was the sole proprietor?

09:54 22 A. I was.

09:54 23 Q. And then in September 2002 what
09:54 24 happened?

09:54 25 A. CLRB purchased assets of

1 B. Hanson
09:54 2 Industrial Printing.
09:54 3 Q. And was CLRB in existence prior
09:54 4 to September 2002?
09:54 5 A. No, sir.
09:54 6 Q. So it was formed specifically
09:54 7 for the purposes of purchasing those assets?
09:54 8 A. Yes, sir.
09:54 9 Q. And other than the sole
09:54 10 proprietorship known as Industrial Printing
09:55 11 and the entity known as CLRB, have you done
09:55 12 business with Google through any other
09:55 13 entities?
09:55 14 A. Yes.
09:55 15 Q. And what are those other
09:55 16 entities?
09:55 17 A. I've done -- I've done business
09:55 18 as a consultant on behalf of other entities.
09:55 19 Q. Could you explain that?
09:55 20 A. SECOA.
09:55 21 Q. You have to spell that name.
09:55 22 A. S-E-C-O-A, Inc.
09:55 23 Q. Okay. And what is SECOA, Inc.?
09:55 24 A. Secoa, Inc. is a stage
09:55 25 manufacturing firm located in Champlin,

1 B. Hanson

10:02 2 proprietorship, have you otherwise placed any

10:02 3 advertisements with Google for yourself?

10:02 4 A. Not that I can recall.

10:04 5 Q. And with respect to Industrial

10:04 6 Printing, when did Industrial Printing first

10:04 7 start to do business with Google?

10:04 8 A. I think it was on or about

10:04 9 July 2002.

10:04 10 Q. And prior to that time, had you

10:04 11 had -- pardon me. Prior to that time, had

10:04 12 you used any other on-line advertising other

10:04 13 than Google?

10:04 14 MR. LEVY: Could you tell me who

10:04 15 "you" is?

10:04 16 MR. BIDERMAN: The sole

10:04 17 proprietorship and Industrial Printing.

10:04 18 MR. LEVY: You're asking did

10:04 19 Industrial Printing use another

10:04 20 service?

10:04 21 MR. BIDERMAN: Yes.

10:04 22 Q. Yahoo, Overture?

10:04 23 A. Could you ask the question

10:04 24 again, please.

10:04 25 Q. Sure. Prior to starting to do

1 B. Hanson

10:05 2 business with Google, had industrial printing

10:05 3 used any other on-line advertising services?

10:05 4 A. Yes, sir.

10:05 5 Q. What were those?

10:05 6 A. The ones I can recall are Yahoo,

10:05 7 which was Overture, Ah-Ha. I think that may

10:05 8 have been the extent of the -- the extent of

10:05 9 them that I can recall.

10:05 10 Q. Okay. And what type of business

10:05 11 is Industrial Printing engaged in?

10:05 12 A. Printing services.

10:05 13 Q. What type of printing services?

10:05 14 A. Printing on three-dimensional

10:05 15 substrates.

10:05 16 Q. And is that the same type of

10:05 17 business that Hanson Industries is engaged

10:06 18 in?

10:06 19 A. I'm not sure of the full extent

10:06 20 of what Hanson Industries does.

10:06 21 Q. Does Hanson Industries do

10:06 22 printing on three-dimensional substrates?

10:06 23 A. I'm not sure if they do at this

10:06 24 point.

10:06 25 Q. And how about CLRB Hanson, does

1 B. Hanson

2 that do the same type of business that

3 Industrial Printing did?

4 A. No. At the present time CLRB is

5 strictly a web fulfillment company.

6 Q. And what's a web fulfillment

7 company?

8 A. We have a site that takes orders

9 for signage and places them with third

.0 parties and collects a fee.

.1 Q. And did CLRB Hanson ever do

.2 printing on three-dimensional substrates?

.3 A. Yes.

.4 Q. When -- how long did it do that?

.5 A. Three years.

.6 Q. And when did it stop,

.7 approximately?

.8 A. September of 2005.

.9 Q. Okay. And when you, through

0 Industrial Printing, first began to do

1 business with Google, could you describe the

2 process by which you established the

3 relationship with Google?

4 A. I found the web site for Google,

5 selected the -- the -- I think it was called

B. Hanson

matter what I changed the daily budget to, it always went over.

Q. Okay. So it's fair to say you came to that understanding sometime, say, June 2005?

A. Yes.

Q. And with respect to Exhibits 39 and 38, the communications with Tina, did you speak to her by phone?

A. I don't know if Google has phones. No. E-mail.

Q. And have you ever spoken to anyone at Google by telephone?

A. Recently, I believe, I received a voicemail. In fact, on Monday, thanking us for our business from a Matt. I don't know, Matt something left on my voicemail.

Q. And anything other than that communication?

A. Not that I can recall.

Q. I thought -- have you ever spoken to anyone by phone or otherwise at Google about daily budget issues?

A. I think I -- let me refresh my

1 B. Hanson

10:28 2 cards?

10:28 3 A. Yes, sir.

10:29 4 Q. Okay. Could you tell me the
10:29 5 names of the credit cards or identify the
10:29 6 credit cards. We can put that under seal so
10:29 7 it's -- no one else is going to look at it,
10:29 8 other than except for this litigation.

10:29 9 MR. LEVY: Just the names of the
10:29 10 cards?

10:29 11 MR. BIDERMAN: Just the names.

10:29 12 I was going to ask for the numbers
10:29 13 next. All right, I was going to ask.

10:29 14 A. I believe they're all identified
10:29 15 by the billing information contained on the
10:29 16 Google reports. I don't recall off the top
10:29 17 of my -- I don't recollect the names.

10:29 18 Q. How many credit cards have you
10:29 19 used, if you know?

10:29 20 A. I have no idea.

10:29 21 Q. More than four?

10:29 22 A. Possibly.

10:29 23 Q. More than 10?

10:29 24 A. Probably not.

10:30 25 Q. And other than through credit

1 B. Hanson
10:30 2 cards, have you ever paid for Google
10:30 3 advertising in any other fashion?

10:30 . 4 A. No, sir.

10:30 5 Q. And do you remember --

10:30 6 MR. BIDERMAN: Okay. Withdraw
10:30 7 the question.

10:30 8 Q. When -- other than the one time
10:30 9 that you signed up for the AdWords program in
10:31 10 July 2002, have you ever signed up for the
10:31 11 AdWords program again? In other words,
10:31 12 established an account?

10:31 13 A. Can you clarify how you're
10:31 14 asking that question?

10:31 15 Q. Sure. Did you go in there and
10:31 16 basically start anew, registering a new
10:31 17 e-mail address, providing new account
10:31 18 information?

10:31 19 A. Not that I can recall.

10:31 20 Q. Just that one time?

10:31 21 A. On behalf of CLRB?

10:31 22 Q. Yes.

10:31 23 A. Yes.

10:31 24 Q. And it was really on behalf of
10:31 25 Industrial Printing, and you're best

B. Hanson

with a daily budget of \$50 for Industrial
Printing. Has that daily budget changed?

A. I believe you have the records.

Yes.

Q. And how often has it changed?

A. Sometimes change it three, four

times a day.

Q. And what has it varied from?

A. Zero, turning off the campaign,

suspending the campaign, to from -- to answer your specific question, zero to I think it's been as high as \$2,000 a day.

Q. And what causes you to change your daily budget?

A. Our -- our web logs that track traffic in correlation with the orders.

Certain times of day. Certain days of the week. Certain keywords. Whether we're going to continue in how the traffic is coming in from -- from MSN or Yahoo in correlation with our web logs and how that ties in. We've got a formula that we look at.

Q. And because you advertise on MSN and Yahoo also: is that correct?

1 B. Hanson

2 A. Yes, sir.

3 Q. And other than MSN, Yahoo and

4 Google, any other on-line advertising that

5 you've used on behalf of Industrial Printing

6 or CLRB Hanson?

7 A. Industrybrains.com. Super

8 Pages, Verizon Super Pages. Mama, M-A-M-A,

9 dot com. Request. That's a pay per

10 impression.

11 MR. BIDERMAN: Did you get the

12 name?

13 THE REPORTER: Yes.

14 A. That's what I can recall.

15 Q. Then I'll show you as exhibit

16 next in order, Exhibit 24, which are -- is

17 Exhibit A1 to the complaint or amended

18 complaint in this case.

19 (Discussion off the record.)

20 (Exhibit No. 24, Exhibit A1 to

21 the amended complaint in this case,

22 marked for identification as of this

23 date.)

24 Q. Exhibit 24 are, as I

25 represented, exhibits to the amended

B. Hanson

1
2 A. Yes. I was seeing at this time
3 if there was an affiliate program that they
4 offered, yeah.

5 Q. And you were told that they
6 don't have one, nor do they plan to implement
7 one. Do you recall that?

8 A. Just whatever this e-mail back
9 from them says.

.0 Q. There's a reference, if you look
.1 under tab 64, to -- it's an e-mail from you
.2 to Bethanie dated 7 December 2004?

.3 A. Under 64?

.4 Q. Yes, sir. It's under tab 64.

.5 Do you see that reference or see
.6 that e-mail string?

.7 A. Yes.

.8 Q. What was that e-mail string
.9 involving?

0 A. This was a report, I believe,
1 that I sent to Bethanie to -- our log files
2 weren't matching with what Google was saying
3 the clicks were.

4 Q. Okay. And how were your log
5 files created?

B. Hanson

2 A. Well, they're created every
3 time -- our web sites are hosted on our
4 server, so when someone logs in, it tells us
5 who came to our site and where they came
6 from. And it wasn't matching with Google's,
7 and I had mentioned that to Google at that
8 time.

9 Q. Through this e-mail?

A. Right.

11 Q. And then what was -- what was
12 the ultimate conclusion of that inquiry?

A. I don't recall.

Q. Do you have -- have you ever
reached any conclusions one way or the other
about, quote, whether you're paying for
clicks that are not coming to your site?

A. We have not.

Q. And I understand, that's not part of this -- you're not suing Google in this lawsuit for that, are you?

22 A. No, sir.

Q. And if you look under tab 64,
there's a reference -- there's a call
summary -- I'm sorry, 66, there's a call

1 B. Hanson
14:29 2 summary of December 21, 2004, Bethanie
14:29 3 Santori. She has a 10-minute- 6-second call
14:29 4 with you on December 21. Do you recall
14:29 5 discussing -- having a discussion with her on
14:30 6 December 21, 2004?

14:30 7 A. Yes.

14:30 8 Q. And what was the substance of
14:30 9 that discussion?

14:30 10 A. I had ran into someone at Google
14:30 11 at a trade show, and questioned -- questioned
14:30 12 him about our click-through traffic and our
14:30 13 traffic, and he just kind of blew me off
14:30 14 like -- so I raised that. And raised the
14:30 15 concern of -- raised the concern about the
14:30 16 clicks that I thought were invalid coming
14:30 17 through on our account.

14:30 18 Our log files weren't matching
14:30 19 up -- separate from the over -- the budget
14:30 20 problem, our -- the clicks that were coming
14:30 21 through to our account weren't matching up to
14:30 22 our log files.

14:30 23 Q. And did you have any discussions
14:30 24 with either John or Bethanie during this time
14:31 25 period about daily budget issues?

1 STATE OF CALIFORNIA)
2 COUNTY OF LOS ANGELES)
3
4) ss.

4 I, Oscar Ventura, hereby certify:

5 I am an employee of Barkley Court Reporters,
6 duly authorized agent for the deposition officer that
7 stenographically recorded the testimony in the foregoing
8 deposition and authorized to execute this copy
9 certificate.

10 The foregoing is true and correct copy of
11 the original transcript of the proceedings taken before
12 me as thereon stated.

13
14
15
16 Dated September 8, 2006.

17
18
19
20
21 
22
23
24
25